

### REMARKS

The enclosed is responsive to the Examiner's Office Action mailed on August 22, 2008. At the time the Examiner mailed the Office Action, claims 1-3, 5-18, 20, 22 and 23 were pending. By way of the present response applicant has: 1) amended claims 1-3 and 15-17; 2) added no claims; and 3) canceled no claims. As such, claims 1-3, 5-18, 20, 22 and 23 are now pending. No new matter has been added. Reconsideration of this application as amended is respectfully requested.

#### Claim Rejections – 35 U.S.C. § 101

Claims 1-3 and 5-14 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Applicant submits that amended claim 1 is tied to a particular apparatus. For example, claim 1 recites a "computer-implemented method" which includes "a computer server prompting at least one registered investment." (Claim 1).

Claims 2-3 and 5-14 are dependent upon claim 1. Accordingly, applicant respectfully submits that the rejection of claims 1-3 and 5-14 under 35 U.S.C. § 101 has been overcome.

#### Claim Rejections – 35 U.S.C. § 103

Claims 1-3, 5-18, 20 and 22-23 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 7,035,820 by Goodwin et al. (hereinafter "Goodwin") in view of U.S. Patent Publication No. 2003/0074300 by Norris (hereinafter, "Norris")

and further in view of Critics Say Government's Market Stabilization Policy Short-Sighted in the Korea Herald (hereinafter, "the Herald").

Goodwin discloses a data processing system for buying and selling commercial loans on the secondary whole loan market, allowing sellers to quickly and effectively reach a broad and qualified investor audience and reduce the significant time and cost associated with conducting traditional due diligence. (Goodwin, col. 1, line 17 – col. 2, line 19).

Norris discloses a repurchase agreement lending facility for debt issued by a business (i.e., bonds) in order to allow the business to increase the ease of selling the debt without movement in price due to the debt going "special" and being "squeezed." (Norris, paragraphs [0002] – [0007]).

The Herald discloses a South Korean government market stabilization package to provide liquidity to investment trust companies and brokerage houses through lowering interest rates, loaning money from reserves, and repurchase agreements. (The Herald, pages 1-2, paragraph 2).

### ***The References Teach Away from One Another***

Applicant respectfully submits that Goodwin does not teach or suggest a combination with Norris and the Herald and that neither Norris nor the Herald teach or suggest a combination with Goodwin. Furthermore, Norris and the Herald teach away from one another. A squeeze, as described in Norris, occurs when investors are trying to buy large quantities of a bond. In contrast, the Herald describes a government intervention in response to investors pushing to cash out of large quantities of an

investment. Norris discloses market liquidity: keeping a stable price for a security so that the security will be purchased on the market. The Herald discloses financial liquidity for investment trust companies in order for the companies to be able to pay out redemptions made by investors. Norris and the Herald disclose opposing financial situations.

The Office Action alleges that the combination is proper because Norris and the Herald both reference the use of repurchase agreements. Applicant disagrees and submits that a proposed combination of references cannot change the principle of operation of a reference. (see MPEP §2143.01 VI.). Given that the two references disclose opposing financial situations, the combination of Norris and the Herald would require completely modifying or ignoring the principle of operation of one or the other. The commonality of use of a repurchase agreement does not overcome the two references' fundamentally opposed purposes and goals.

Accordingly, it is respectfully submitted that it would be impermissible hindsight, based upon applicants' own disclosure, to combine Norris and the Herald.

***The Combination of Goodwin, Norris, and the Herald fails to disclose all of the features of independent claims 1, 15, 16, and 17.***

Even if Goodwin, Norris, and the Herald were combined, the combination would lack the limitations amended claim 1. The combination fails to disclose:

(a) **receiving registration information from at least one investment fund wanting to receive liquidity services for meeting financial obligations resulting from the redemption of at least one share** of the at least one investment fund;

(Claim 1) (emphasis added).

The Office Action alleges that Goodwin discloses "at least one investment fund wanted to receive liquidity services registering" but ignores the claim language of "for meeting financial obligations resulting from the redemption of at least one share." The citations provided by the Office Action refer to registration but are silent regarding an investment fund wanting to receive liquidity services for meeting financial obligations resulting from the redemption of at least one share of the at least one investment fund.

Norris does not describe registration or at least one investment fund wanting to receive liquidity services for meeting financial obligations resulting from the redemption of at least one share.

The Office Action alleges that the Herald describes at least one investment fund wanting to receive liquidity services for meeting financial obligations resulting from the redemption of at least one share. The Herald vaguely discusses a government bailout plan for an investment fund if investors rush to cash out, but does not discuss registration information or that the situation described in Korea was handled by registration. "In determining the differences between the prior art and the claims, the question under 35 U.S.C. 103 is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious." (MPEP 2141.02 citing *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530 (Fed. Cir. 1983)). Applicant respectfully submits that the rejection is based upon an improper, hindsight reconstruction by picking and choosing different pieces of claim language from varied references.

The combination of references further fails to disclose:

(b) **a computer server prompting at least one registered investment fund having a net share outflow to offer shares to the liquidity vehicle, wherein the net share outflow comprises the registered investment fund having an excess number of shares being redeemed, excluding shares redeemed by the liquidity vehicle, in comparison to a number of shares being purchased, excluding shares purchased by the liquidity vehicle, over a predetermined amount of time;**

(Claim 1) (emphasis added).

The Office Action alleges that "Goodwin discloses prompting an investment fund to sell shares." (Office Action dated 8/22/08, page 13). Applicant disagrees and submits the citations provided by the Office Action describe alerts/notifications for sellers but do not disclose prompting an investment fund to sell shares. For example, Goodwin discloses notifying potential sellers "whenever a Buyer has expressed interest in a financial product" (Goodwin, Col. 12 lines 20-25) and "when events impact his financial product" including "changes in valuation, confirmation of financial product pricing by the Analyzer, queries from Buyers, Bids made (highest Bid information)." (Goodwin, Table 1). Goodwin does not disclose prompting an investment fund to sell in response to any event, much less an excess number of shares being redeemed over a predetermined of time.

Norris also fails to disclose this limitation. Norris does not describe prompting of an investment fund, or any other potential seller, in response to any event.

The Herald discloses a government measure that includes banks helping cash-strapped trust companies through repurchase agreements if investors rush to cash out. The Herald discusses an infusion of \$32 billion in reserves to be used as a bailout, and

then if "the amount is insufficient," banks will help with repurchase agreements. (The Herald, page 1, Abstract and page 2, first paragraph) (emphasis added). Therefore, the repurchase agreements are made in response to the bailout being insufficient. Furthermore, the Herald does not discuss prompting investment trust companies to sell or that it occurs in response to a number of shares being redeemed over a predetermined amount of time.

Therefore, Goodwin, Norris, and the Herald, alone or in combination, fail to disclose prompting an investment fund to sell in response to an excess number of shares being redeemed over a predetermined amount of time.

Lastly, the combination of references fails to disclose:

(e) **redeeming at least one of the at least one purchased share** from the at least one registered investment fund **following an occurrence of a net inflow of shares of the same at least one registered investment fund**.

(Claim 1) (emphasis added).

The combination of Goodwin, Norris, and the Herald also fails to disclose "redeeming at least one of the at least one purchased share from the at least one registered investment fund **following an occurrence of a net inflow of shares of the same at least one registered investment fund**." (Claim 1, emphasis added). Goodwin does not disclose redeeming a purchased share.

Norris discloses repurchase agreements set by a fixed timeline/term: "Term is preferably overnight but may be for any term, intraday, multiple day, week, and multiple week, or other term acceptable to the issuer of the facility." (Norris paragraph [0084]).

The repurchase agreements contemplated by Norris are time dependent and therefore the redemption of a share does not follow a net share inflow.

The Herald does not disclose what prompts redemption or repurchase. The Herald's silence regarding the redemption of shares or termination of repurchase agreements leaves the combination of references with the disclosure from Norris that the repurchase agreements set by a fixed timeline/term.

The Office Action alleges that repurchase agreements "are used for meeting short term liquidity needs, and are reversed or 'undone' when there is an inflow of cash and the need for liquidity no longer exists." (Office Action dated 8/22/08, page 14). Applicant submits that this is not disclosed in the references cited by the Office Action. Should the Examiner maintain this rejection, applicant requests that the Examiner support this assertion with a reference.

Therefore, the combination of Goodwin, Norris, and the Herald fails to disclose redeeming at least one of the at least one purchased share from the at least one registered investment fund following an occurrence of a net inflow of shares of the same at least one registered investment fund.

Given that claims 2, 3, and 5-14 are dependent claims with respect to claim 1, either directly or indirectly, and add additional limitations, applicant submits that claims 2, 3, and 5-14 are not obvious under 35 U.S.C. § 103(a) in view of Goodwin, Norris, and the Herald.

Claims 15-18, 20, and 22-23 stand rejected based upon the same art and rationale as claims 1-3 and 5-14. Given that claims 15-18, 20, and 22-23 have similar

limitations to claims 1-3 and 5-14, which are not disclosed in the combination of Goodwin, Norris, and the Herald, applicant respectfully submits that claims 15-18, 20, and 22-23 are not obvious under 35 U.S.C. § 103(a) in view of Goodwin, Norris, and the Herald for at least the reasons discussed above.

Applicant, accordingly, respectfully submits that the rejection of claims 1-3, 5-18, 20, and 22-23 under 35 U.S.C. § 103(a) as being unpatentable over Goodwin, Norris, and the Herald has been overcome.



### CONCLUSION

Applicant respectfully submits that in view of the amendments and arguments set forth herein, the applicable objections and rejections have been overcome. Applicant reserves all rights under the doctrine of equivalents.

Pursuant to 37 C.F.R. 1.136(a)(3), applicant hereby requests and authorizes the U.S. Patent and Trademark Office to (1) treat any concurrent or future reply that requires a petition for extension of time as incorporating a petition for extension of time for the appropriate length of time and (2) charge all required fees, including extension of time fees and fees under 37 C.F.R. 1.16 and 1.17, to Deposit Account No. 02-2666.

Respectfully submitted,

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